

FEDERAL BUREAU OF INVESTIGATION  
FOI/PA  
DELETED PAGE INFORMATION SHEET  
FOI/PA# 1346532-0

Total Deleted Page(s) = 73

Page 6 ~ b3; b6; b7C;  
Page 7 ~ b3; b6; b7C;  
Page 9 ~ b3; b6; b7C;  
Page 12 ~ b3;  
Page 13 ~ b3;  
Page 14 ~ b3;  
Page 15 ~ b3; b6; b7C;  
Page 16 ~ b3; b6; b7C;  
Page 17 ~ b3; b6; b7C;  
Page 18 ~ b3; b6; b7C;  
Page 19 ~ b3; b6; b7C;  
Page 20 ~ b3; b6; b7C;  
Page 21 ~ b3; b6; b7C;  
Page 22 ~ b3; b6; b7C;  
Page 23 ~ b3; b6; b7C;  
Page 24 ~ b3;  
Page 25 ~ b3;  
Page 26 ~ b3;  
Page 27 ~ b3; b6; b7C;  
Page 28 ~ b3; b6; b7C;  
Page 29 ~ b3; b6; b7C;  
Page 30 ~ b3; b6; b7C;  
Page 33 ~ b3;  
Page 34 ~ b3;  
Page 35 ~ b3;  
Page 36 ~ b3;  
Page 37 ~ b3; b6; b7C;  
Page 38 ~ b3; b6; b7C;  
Page 39 ~ b3; b6; b7C;  
Page 40 ~ b3; b6; b7C;  
Page 41 ~ b3;  
Page 67 ~ Referral/Direct;  
Page 68 ~ Referral/Direct;  
Page 69 ~ Referral/Direct;  
Page 70 ~ Referral/Direct;  
Page 71 ~ Referral/Direct;  
Page 72 ~ Referral/Direct;  
Page 73 ~ Referral/Direct;  
Page 74 ~ Referral/Direct;  
Page 75 ~ Referral/Direct;  
Page 76 ~ Referral/Direct;  
Page 77 ~ Referral/Direct;  
Page 78 ~ Referral/Direct;  
Page 79 ~ Referral/Direct;  
Page 80 ~ Referral/Direct;  
Page 81 ~ Referral/Direct;  
Page 82 ~ Referral/Direct;  
Page 83 ~ Referral/Direct;

- 1 -

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/6/93

[redacted]  
[redacted] furnished the following information to Special Agent (SA) [redacted]  
[redacted] regarding comments made by ROBERT LIBUTTI, during an  
afternoon break in the pre-trial hearing, before United States  
District Judge JEROME SIMANDLE on April 2, 1993.

b6  
b7C

[redacted]  
[redacted] overheard LIBUTTI (while he was sitting at the defense table) say  
there will be a murder before this case is over. [redacted]  
[redacted] in referring to himself, said he must mean  
me. LIBUTTI replied by saying no.

b6  
b7C

[redacted] said I hope  
he (LIBUTTI) does not mean me. LIBUTTI excluded [redacted] as the object  
of his comments and also said it would not be [redacted] (referring to [redacted])  
[redacted] he is loose.

b6  
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[redacted] stated that she felt LIBUTTI's comments were  
directed at her and felt threatened by them.

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b7C

Investigation on 4/2/93 at Camden, New Jersey File # NK 29B-9961

by SA [redacted] /eo Date dictated 4/5/93

b6  
b7C

101765

# Memorandum



To : SAC, NEWARK (29B-9961)

Date 2/10/92

From : SA [REDACTED]

Subject:

CHANGED  
THEODORE VINCENT KRUCKEL, JR., aka  
Ted Kruckel, Jr.,  
PRESIDENT,  
URBAN NATIONAL BANK OF FRANKLIN LAKES,  
NEW JERSEY;  
ROBERT LIBUTTI, aka  
Robert Presti,  
dba, Buck Chance Stables;

[REDACTED]  
LOAN RECIPIENTS;  
BF&E;  
OO: NEWARK

b6  
b7C

*P.1,2*

Title is marked changed to reflect true name of main subject KRUCKEL. Title previously carried as "TED KRUCKEL, JR., PRESIDENT, URBAN NATIONAL BANK OF FRANKLIN LAKES, NEW JERSEY; ROBERT LIBUTTI, aka Robert Presti, dba Buck Chance Stables; [REDACTED] LOAN RECIPIENTS; BF&E; OO: NEWARK."

b6  
b7C

For indexing purposes the following descriptive data is being furnished.

NAME: THEODORE VINCENT KRUCKEL, JR.  
RACE: White  
DOB: 12/11/36  
SOC: 073-28-7976

NAME: [REDACTED]  
RACE: [REDACTED]  
DOB: [REDACTED]  
SOC: [REDACTED]

b6  
b7C

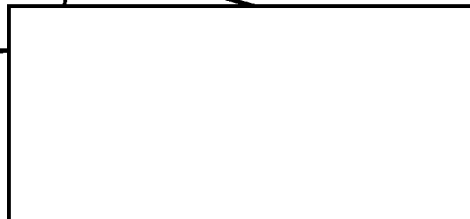
2-Newark  
GJI/ec  
(2)

29B-9961-57

|              |         |
|--------------|---------|
| SEARCHED     | INDEXED |
| SERIALIZED   | FILED   |
| MAR 25 1992  |         |
| FBI - NEWARK |         |

29B-9961

NAME:  
RACE:  
SEX:  
DOB:  
POB:  
SOC:



b6  
b7C

FBI

## TRANSMIT VIA:

☐ Teletype  
☐ Facsimile  
☒ AIRTEL

## PRECEDENCE:

☐ Immediate  
☐ Priority  
☐ Routine

## CLASSIFICATION:

☐ TOP SECRET  
☐ SECRET  
☐ CONFIDENTIAL  
☐ UNCLAS E F T O  
☐ UNCLAS

Date 3/30/92

TO : SAC, ALBANY (29B-NEW)  
 FROM : SAC, Newark (29B-9961) (P) (GMRA)  
 SUBJECT : THEODORE VINCENT KRUCKEL, JR., aka  
 Ted Kruckel, Jr.,  
 PRESIDENT,  
 URBAN NATIONAL BANK OF FRANKLIN LAKES,  
 NEW JERSEY;  
 ROBERT LIBUTTI, aka  
 Robert Presti,  
 dba, Buck Chance Stables;

[REDACTED]  
 LOAN RECIPIENTS;  
 BF&E;  
 OO: NEWARK

b6  
 b7C

For information of receiving offices, Newark has been conducting an extensive investigation into the lending activities of captioned subject THEODORE KRUCKEL. Investigation has determined that KRUCKEL issued a series of nominee loans to [REDACTED] on behalf of ROBERT LIBUTTI. In one instance the entire proceeds of a loan on 9/15/86, in the name of [REDACTED] for \$1.25 million, have been traced directly to LIBUTTI. The collateral listed

b6  
 b7C

2-Albany  
 2-Baltimore  
 2-Jacksonville  
 2-Louisville  
 2-Newark  
 GJI/eo  
 (10)

29B-9961-59

|              |         |
|--------------|---------|
| SEARCHED     | INDEXED |
| SERIALIZED   | FILED   |
| APR 2 1992   |         |
| FBI - NEWARK |         |

Approved: \_\_\_\_\_ Transmitted \_\_\_\_\_  
 (Number) (Time)

29B-9961

on the loan was a racehorse named GROOVY. The Newark Division is of the belief, at the time the loan was granted in [redacted] name, the collateral (GROOVY) was actually owned by the bank President KRUCKEL. Examination of the [redacted] loan file indicates that KRUCKEL stated he had had a UCC-1 filed for GROOVY, however a copy of UCC-1 could not be found in the bank. A review of Secretary of State, Trenton, NJ, proved negative for a UCC-1 filing for GROOVY. In addition a review of county records indicate no filing of a UCC-1.

b6  
b7C

The Newark Division has been informed that a UCC-1 filing for a horse may be filed where the racehorse is stabled or where it raced (during the time period the loan was issued).

The Assistant U.S. Attorney, Newark, NJ, has requested that a review of all Secretary of State Offices records be conducted where GROOVY either was stabled or raced during the relevant time period.

Receiving offices are requested to review their respective Secretary of State Offices for a UCC-1 filing for GROOVY by URBAN NATIONAL BANK in behalf of [redacted] [redacted] New York.

b6  
b7C

LEADS

ALBANY DIVISION

at ALBANY, NEW YORK

1. Will review Secretary of State Office records for a UCC-1 filing for GROOVY by URBAN NATIONAL BANK, Franklin Lakes, NJ, in the debtors name [redacted]

b6  
b7C

2. Will furnish Newark a certified copy of the results of the UCC-1 search (positive or negative) conducted by the Secretary of State Office.

BALTIMORE DIVISION

at ANNAPOLIS, MARYLAND

Leads same as above.

29B-9961

JACKSONVILLE DIVISION

at TALLAHASSEE, FLORIDA

Leads same as above.

LOUISVILLE DIVISION

at FRANKFORT, KENTUCKY

Leads same as above.

SACRAMENTO DIVISION

at SACRAMENTO, CALIFORNIA

Leads same as above.

No. \_\_\_\_\_

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UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

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IN THE MATTER OF THE GRAND JURY  
EMPANELED

b3

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b3

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MICHAEL CHERTOFF

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*U.S. Attorney, Newark, New Jersey*

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AUSA  
970 Broad Street  
Newark, New Jersey

07102

b6  
b7c



**United States District Court**  
FOR THE \_\_\_\_\_ DISTRICT OF NEW JERSEY

TO:

**SUBPOENA TO TESTIFY  
BEFORE GRAND JURY**

SUBPOENA FOR:

b3

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE

ROOM

Room 502

DATE AND TIME

b3

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):\*

b3  
b6  
b7C

☐ Please see additional information on reverse

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK

WILLIAM T. WALSH

(BY) DEPUTY CLERK

DATE

March 26, 1992

b6  
b7C

This subpoena is issued upon application  
of the United States of America  
MICHAEL CHERTOFF  
UNITED STATES ATTORNEY

NAME, ADDRESS AND PHONE NUMBER OF ASSISTANT U.S. ATTORNEY

*DTG*, AUSA  
970 Broad Street  
Newark, NJ 07102

\*If not applicable, enter "none."

To be used in lieu of AO110

FORM OBD-227  
JAN 86

| RETURN OF SERVICE <sup>(1)</sup>   |          |       |
|--|----------|-------|
| <b>RECEIVED<br/>BY SERVER</b>  | DATE     | PLACE |
| <b>SERVED</b>  | DATE     | PLACE |
| SERVED ON (NAME)   |          |       |
| SERVED BY  |          | TITLE |
| <b>STATEMENT OF SERVICE FEES</b>   |          |       |
| TRAVEL   | SERVICES | TOTAL |
| <b>DECLARATION OF SERVER <sup>(2)</sup></b>  |          |       |
| <p>I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service and Statement of Service Fees is true and correct.</p> <p>Executed on _____</p> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="text-align: center;"> <p><i>Date</i></p> </div> <div style="text-align: center;"> <p><i>Signature of Server</i></p> </div> </div> <div style="text-align: center; margin-top: 20px;"> <p>_____<br/><i>Address of Server</i></p> </div> |          |       |
| <p>ADDITIONAL INFORMATION</p>  |          |       |

(1) As to who may serve a subpoena and the manner of its service see Rule 17(d), Federal Rules of Criminal Procedure, or Rule 45(c), Federal Rules of Civil Procedure

(2) "Fees and mileage need not be tendered to the witness upon service of a subpoena issued on behalf of the United States or an officer or agency thereof (Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure) or on behalf of certain indigent parties and criminal defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)"

**United States District Court**  
FOR THE \_\_\_\_\_ DISTRICT OF NEW JERSEY

TO:

**SUBPOENA TO TESTIFY  
BEFORE GRAND JURY**

b3

SUBPOENA FOR:

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE

ROOM

Room 502

DATE AND TIME

b3

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):\*

b3  
b6  
b7C

☐ Please see additional information on reverse

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK

WILLIAM T. WALSH

DATE

(BY) DEPUTY CLERK

March 26, 1992

This subpoena is issued upon application  
of the United States of America

**MICHAEL CHERTOFF  
UNITED STATES ATTORNEY**

NAME, ADDRESS AND PHONE NUMBER OF ASSISTANT U.S. ATTORNEY

970 Broad Street  
Newark, NJ 07102

DTC-, AUSA

b6  
b7C

\*If not applicable, enter "none."

To be used in lieu of AO110

FORM OBD-227  
JAN. 86

| RETURN OF SERVICE <sup>(1)</sup>  |          |       |
|---|----------|-------|
| RECEIVED<br>BY SERVER   | DATE     | PLACE |
| SERVED  | DATE     | PLACE |
| SERVED ON (NAME)  |          |       |
| SERVED BY   |          | TITLE |
| STATEMENT OF SERVICE FEES   |          |       |
| TRAVEL  | SERVICES | TOTAL |
| DECLARATION OF SERVER <sup>(2)</sup>  |          |       |
| <p>I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service and Statement of Service Fees is true and correct.</p> <p>Executed on _____</p> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="text-align: center;"> <p><i>Date</i></p> </div> <div style="text-align: center;"> <p><i>Signature of Server</i></p> </div> </div> <div style="text-align: center; margin-top: 10px;"> <p>_____</p> <p><i>Address of Server</i></p> </div> |          |       |
| ADDITIONAL INFORMATION  |          |       |

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FBI

## TRANSMIT VIA:

☐ Teletype  
☐ Facsimile  
☒ AIRTEL

## PRECEDENCE:

☐ Immediate  
☐ Priority  
☐ Routine

## CLASSIFICATION:

☐ TOP SECRET  
☐ SECRET  
☐ CONFIDENTIAL  
☐ UNCLAS E F T O  
☐ UNCLAS

Date 4/16/92

1 TO : SAC, NEWARK (29B-9961) (GMRA)  
 2 FROM : SAC, JACKSONVILLE (29B-NK-9961) (TRA) (RUC)  
 3 SUBJECT : THEODORE VINCENT KRUCKEL, JR., aka  
 4 Ted Kruckel, Jr.,  
 5 PRESIDENT,  
 6 URBAN NATIONAL BANK OF FRANKLIN LAKES,  
 7 NEW JERSEY;  
 8 ROBERT LIBUTTI, aka  
 9 Robert Presti,  
 10 dba BUCK CHANCE STABLES;  
 11 [REDACTED]

12 LOAN RECIPIENTS;  
 13 BF&E;  
 14 OO: NEWARK

15 Re Newark airtel to Albany, dated 3/30/92.

16 On 4/16/92, [REDACTED] SECRETARY OF  
 17 STATE'S OFFICE, Tallahassee, Florida, advised a search of her  
 18 records proved negative for a UCC-1 filing for GROOVY by URBAN  
 19 NATIONAL BANK, Franklin Lakes, New Jersey, and the debtor's  
 20 name [REDACTED]

21 [REDACTED] advised due to office policy would be  
 unable to furnish a certified statement of non-record  
 regarding the above.

(2) - Newark  
 1 - Jacksonville  
 REH/sdh  
 (3)

29B-NK-9961-72  
 SEARCHED [initials]

APR 22 1992

Approved: [signature]

Transmitted

(Number) (Time)

Per [signature]

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/16/92

[redacted] Office of Secretary of State, Legal Division, State Capital Building, Frankfort, Kentucky, was advised of the official identity of the interviewing agent, as well as the nature and purpose of the inquiry. [redacted] then provided the following information.

b6  
b7C

[redacted] advised upon a search and review of her respective records located in the Secretary of State's Office for the State of Kentucky, she could locate no record for the filing of a Uniform Commercial Code (UCC) - 1 for a racehorse named GROOVY, or URBAN NATIONAL BANK, Franklin Lakes, New Jersey, or in the debtors' name of [redacted]

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b7C

[redacted] advised that the Secretary of State's Office State of Kentucky, Frankfort, Kentucky, does not allow or permit the issuance of a certified copy when a check of official records are met with negative results.

b6  
b7C

Investigation on 4/14/92 at Frankfort, Kentucky File # 29B-9961-73  
by SA [redacted] :rjc Date dictated 4/14/92

b6  
b7C

FBI

## TRANSMIT VIA:

☐ Teletype  
☐ Facsimile  
☒ AIRTEL

## PRECEDENCE:

☐ Immediate  
☐ Priority  
☐ Routine

## CLASSIFICATION:

☐ TOP SECRET  
☐ SECRET  
☐ CONFIDENTIAL  
☐ UNCLAS E F T O  
☐ UNCLAS

Date 4/23/92

TO : SAC, NEWARK (29B-9961) (GMRA)  
 FROM : SAC, LOUISVILLE (29B-9961) (RUC)  
 SUBJECT : THEODORE VINCENT KRUCKEL, JR., aka  
 Ted Kruckel, Jr.,  
 PRESIDENT,  
 URBAN NATIONAL BANK OF FRANKLIN LAKES,  
 NEW JERSEY;  
 ROBERT LIBUTTI, aka  
 Robert Presti,  
 dba, BUCK CHANCE STABLES;

LOAN RECIPIENTS;  
 BF&E;  
 OO: NEWARK

Re Newark airtel to Albany, dated 3/30/92.

Enclosed herewith for the Newark Division is the original and three copies of an FD-302 setting forth the results of investigation conducted at Frankfort, Kentucky, as requested in referenced airtel.

Inasmuch as no further investigation remains to be conducted by the Louisville Division, this matter is considered RUC'd.

2 - Newark (Enc. 3)  
 2 - Louisville  
 (1 - 29B-9961)  
 (1 - Case Agent)

JMR:pjr  
 (4)

1\*

29B-9961-744  
 8  
 107 5. 1992

b6  
 b7C

Approved: ITD/C/Kra

Transmitted

(Number) (Time)

Per

GJI/gji  
*GR*

THEODORE VINCENT KRUCKEL, Jr.;  
ET AL;  
BF&E  
OO: NEWARK

On 3/18/92 & 4/28/92,  furnished the following information:

b6  
b7C  
b7D

*(X)*

*29B-9961-75*

|                 |              |
|-----------------|--------------|
| SEARCHED.....   | INDEXED..... |
| SERIALIZED..... | FILED.....   |
| MAY 1 - 1992    |              |
| FBI - NEWARK    |              |

*del*



- 1 -

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 5/5/92

On March 16, 1992, in compliance to a Federal Grand Jury  
Subpoena, [REDACTED]

[REDACTED]

b3  
b6  
b7C

(X)

*red on net*  
*10/21/92*

29B-9961-75X2

|                      |                 |
|----------------------|-----------------|
| SEARCHED.....        | INDEXED.....    |
| SERIALIZED <i>NA</i> | FILED <i>NA</i> |
| MAY - 6 1992         |                 |
| FBI - NEWARK         |                 |

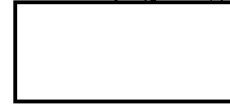
Investigation on 3/16/92 at Franklin Lakes, NJ File # NK 29B-9961

by SA [REDACTED] /eo Date dictated 3/20/92

b6  
b7C

29B-9961-80

B 29B



*[Handwritten signature]*

b6  
b7C

- 1 -

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/24/92

[redacted] date of birth: [redacted]  
[redacted] Social Security Account Number: [redacted]  
address: [redacted] Texas, [redacted] was  
contacted at his place of employment, [redacted]  
[redacted] Texas, [redacted]  
telephone number [redacted] After being advised of the  
identity of the interviewing agent and the nature of the  
interview, [redacted] furnished the following information:

b6  
b7C

[redacted] advised that he is the [redacted]  
[redacted] and in this capacity, [redacted]  
[redacted] of a thoroughbred race horse, named  
"GROOVY", for [redacted]  
[redacted] He advised that the  
sale was finalized on August 20, 1987, for a total sale price of  
\$4,000,000.00. He advised that [redacted] received \$3,500,000.00,  
and paid the agent's commission to ROBERT LIBUTTI, who received  
\$350,000.00; [redacted] who received \$100,000.00; and [redacted]  
[redacted] who received \$50,000.00. He advised that Houston  
Attorney [redacted] represented [redacted] for the sale to [redacted]  
[redacted] He advised that it was almost like  
[redacted] had to sell "GROOVY", but did not want to sell the horse.  
He advised that at one point there was a problem in the original  
closing, and [redacted] wanted to back out of the sale, but may have  
been told by [redacted] that "GROOVY" had to be sold.

b6  
b7C

[redacted] advised that the reason separate checks were  
issued to [redacted] LIBUTTI, [redacted] was that LIBUTTI  
did not trust [redacted] to receive the total of \$4,000,000.00 and  
then distribute the commission to LIBUTTI, [redacted]  
He advised that he received a telephone call from LIBUTTI at  
approximately 2:00 a.m., around the time the sale was to be  
finalized, and that LIBUTTI wanted to make sure that separate  
checks were going to be issued when the sale was finalized. He  
advised that the check payable to LIBUTTI was sent directly to  
LIBUTTI. He advised that the amount LIBUTTI received as a  
commission, which amounted to 10 percent of what [redacted] netted  
from the sale, was unusually high for an agent to receive. He  
advised that agent's commissions usually amount to five percent

b6  
b7C

Investigation on 4/10/92 at [redacted] Texas File # 29D-HO-25675 Sub 3  
by SA [redacted]/cp Date dictated 4/15/92

b6  
b7C

29D-HO-25675

Sub 3

Continuation of FD-302 of [REDACTED], On 4/15/92, Page 2 b6  
b7C

of the sales price when a thoroughbred race horse is sold.

[REDACTED] thereafter furnished copies of documents and checks related to the [REDACTED] purchase of "GROOVY" from [REDACTED] [REDACTED] advised that he would obtain a copy of the front and back of the canceled cashier's check number 21306, dated August 18, 1987, payable to [REDACTED] in the amount of \$3,500,000.00, drawn on [REDACTED] Account number [REDACTED] showing [REDACTED] as remitter.

b6  
b7C

29B-9961-81

B JS



CPD

b6  
b7C

- 1 -

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/27/92

[redacted] date of birth: [redacted]  
[redacted] Social Security Account Number: [redacted]  
[redacted] Texas, [redacted] telephone  
number [redacted] was contacted at his place of employment,  
[redacted]  
[redacted] Texas [redacted] telephone number [redacted] Also  
present during the interview was [redacted]  
male, date of birth: [redacted] Social Security Account  
Number: [redacted]  
[redacted] After being advised as to the identity of the  
interviewing Agent and the nature of the interview, [redacted]  
furnished the following information:

b6  
b7C

[redacted] advised that he purchased a thoroughbred race  
horse named "GROOVY," from [redacted] in August, 1987. He  
advised that he purchased "GROOVY" from [redacted] for \$4,000,000.  
[redacted] advised that [redacted] the closing of the sale for  
him, and would know more information regarding the transaction,  
than he would himself.

b6  
b7C

[redacted] advised that he never meet a man named TED  
KRUCKEL, who was a banker for URBAN NATIONAL BANK, which was  
located in the state of New Jersey. However, he did recall the  
name KRUCKEL, because KRUCKEL was listed as a previous owner of  
"GROOVY" on the certificate of registration number 8332880,  
issued by THE JOCKEY CLUB. [redacted] advised that he has no  
knowledge of KRUCKEL trying to create financing from URBAN  
NATIONAL BANK to purchase "GROOVY."

b6  
b7C

Investigation on 4/10/92 at [redacted] Texas File # 29D-HO-25675, Sub 3  
by SA [redacted] /mgk Date dictated 4/15/92

b6  
b7C

FBI

## TRANSMIT VIA:

☐ Teletype  
☐ Facsimile  
☒ AIRTEL

## PRECEDENCE:

☐ Immediate  
☐ Priority  
☐ Routine

## CLASSIFICATION:

☐ TOP SECRET  
☐ SECRET  
☐ CONFIDENTIAL  
☐ UNCLAS E F T O  
☐ UNCLAS

Date 5/22/92

TO : SAC, HOUSTON (29D-HO-25675 SUB J) (P)  
 FROM : SAC, Newark (29B-9961) (P)  
 SUBJECT : THEODORE VINCENT KRUCKEL, JR., aka  
 Ted Kruckel, Jr.,  
 PRESIDENT,  
 URBAN NATIONAL BANK OF FRANKLIN LAKES,  
 NEW JERSEY;  
 ROBERT LIBUTTI, aka  
 Robert Presti,  
 dba, Buck Chance Stables;

LOAN RECIPIENTS,  
 FIF  
 OO: NEWARK

Re: Telcalls between SA [redacted] Newark  
 Division and SA [redacted] Houston Division  
 on 4/21/92 and 5/13/92.

As the Houston Division is aware, Newark has been conducting an extensive investigation into the leading activities of captioned subject THEODORE KRUCKEL. Investigation has determined that KRUCKEL issued a series of nominee loans to [redacted] on behalf of ROBERT LIBUTTI. In one instance the entire proceeds of a loan, in the name of [redacted] for \$1.25 million, have been traced directly to LIBUTTI. The collateral listed on the

2-Houston  
 2-Newark  
 GJI/eo  
 (4)

29B-NK 9961-83

|                 |              |
|-----------------|--------------|
| SEARCHED.....   | INDEXED..... |
| SERIALIZED..... | FILED.....   |
| JUN 2 1992      |              |
| FBI - NEWARK    |              |

Approved: \_\_\_\_\_ Transmitted \_\_\_\_\_ Per \_\_\_\_\_  
 (Number) (Time)

NK 29B-9961

loan was a racehorse named GROOVY. Review of records indicate the collateral (GROOVY) was actually owned by the Bank President, KRUCKEL and not [redacted] Additionally, it was determined that the racehorse was sold to [redacted] and he eventually sold it to [redacted] Houston, Texas. It is believed that [redacted] should have the original foal certificate for GROOVY, which indicates ownership of the horse.

b6  
b7C

LEAD

HOUSTON DIVISION

at HOUSTON, TEXAS

Will interview [redacted]  
Houston, Texas, (or their legal representative) regarding details of their purchase of GROOVY from [redacted] to include a copy of the foal certificate and how the purchase was financed.

b6  
b7C



# Memorandum



To : SAC, NEWARK (29B-9961) (P) (GMRA)

Date 6/2/92

From :

SA

b6  
b7C

Subject: THEODORE VINCENT KRUCKEL, JR., aka, —  
Ted Kruckel, Jr.,  
President,  
URBAN NATIONAL BANK OF  
FRANKLIN LAKES, NEW JERSEY;  
ET AL;  
FIF  
OO: NEWARK

(X)  
GR

## FILE UPDATE

For information of the file the Federal Grand Jury that is hearing evidence regarding captioned case is terminating effective 6/25/92. This grand jury's 12 month term expired in December, 1991 however, due to the ongoing captioned investigation (along with several other cases) the grand jury was asked and agreed to a 6 month extension until June, 1992.

The following is a schedule outlining anticipated investigation, grand jury preparation and grand jury testimony:

|  |  |
|--|--|
|  |  |
|--|--|

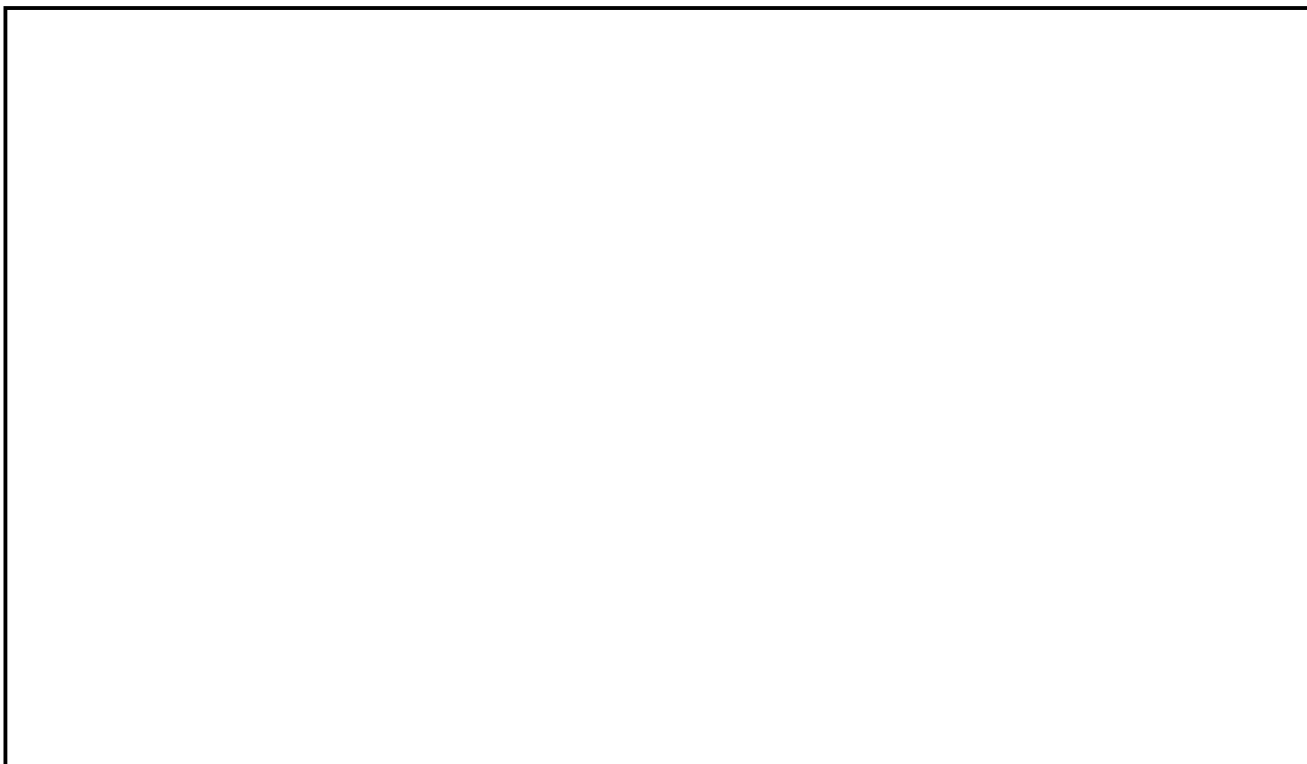
b3  
b6  
b7C

②-Newark  
GJI/eo  
(2)

29B-9961-84

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| SEARCHED.....        | INDEXED.....    |
| SERIALIZED <i>ff</i> | FILED <i>ff</i> |
| JUN 2 1992           |                 |
| FBI - NEWARK         |                 |

NK 29B-9961



b3  
b6  
b7C

FBI

## TRANSMIT VIA:

☐ Teletype  
☐ Facsimile  
☒ AIRTEL

## PRECEDENCE:

☐ Immediate  
☐ Priority  
☐ Routine

## CLASSIFICATION:

☐ TOP SECRET  
☐ SECRET  
☐ CONFIDENTIAL  
☐ UNCLAS E F T O  
☐ UNCLAS

Date 7/6/92

TO : ADIC, NEW YORK (29B-NEW)  
 FROM : SAC, Newark (29B-9961) (P) (GMRA)  
 SUBJECT : THEODORE VINCENT KRUCKEL, JR., aka  
 Ted Kruckel, Jr.,  
 PRESIDENT,  
 URBAN NATIONAL BANK OF FRANKLIN LAKES,  
 NEW JERSEY;  
 ROBERT LIBUTTI, aka  
 Robert Presti,  
 dba, Buck Chance Stables;



LOAN RECIPIENTS;  
 BF&E;  
 OO: NEWARK

For information of receiving offices, Newark has been conducting an extensive investigation into the lending activities of captioned subject THEODORE KRUCKEL. Investigation has determined that KRUCKEL issued a series of nominee loans to [redacted] on behalf of ROBERT LIBUTTI. In one instance the entire proceeds of a loan on 9/15/86, in the name of [redacted] for \$1.25 million, have been traced directly to LIBUTTI. The collateral listed

2-New York (Info.)  
 2-Brooklyn Queens RA  
 2-Long Island RA  
 2-San Antonio  
 2-Newark  
 GJI/eo  
 (10)

29B-9961-86

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| SERIALIZED..... | FILED.....   |
| JUL 8 - 1992    |              |
| FBI - NEWARK    |              |

Approved: \_\_\_\_\_ Transmitted \_\_\_\_\_ Per \_\_\_\_\_  
 (Number) (Time)

NK 29B-9961

on the loan was a racehorse named GROOVY. The Newark Division is of the belief, at the time the loan was granted in [redacted] name, the collateral (GROOVY) was actually owned by the Bank President KRUCKEL. Examination of the [redacted] loan file indicates that KRUCKEL stated he had a UCC-1 filed for GROOVY, however a copy of UCC-1 could not be found in the bank. A review of Secretary of State, Trenton, NJ, proved negative for a UCC-1 filing for GROOVY. In addition a review of county records indicate no filing of a UCC-1.

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b7C

The Newark Division has been informed that a UCC-1 filing for a horse may be filed where the racehorse is stabled or where it raced (during the time period the loan was issued).

The Assistant U.S. Attorney, Newark, NJ, has requested that a review of all County Clerk Offices records be conducted where GROOVY either was stabled or raced during the relevant time period.

Receiving offices are requested to review County Clerk or Secretary of State Offices for a UCC-1 filing for GROOVY by URBAN NATIONAL BANK in behalf of [redacted] New York or THEODORE KRUCKEL (same address).

b6  
b7C

LEADS

NEW YORK OFFICE

at QUEENS, NEW YORK

1. Will review Queens county records for a UCC-1 filing for GROOVY by URBAN NATIONAL BANK, Franklin Lakes, NJ, in the debtors name [redacted] or in the name of THEODORE KRUCKEL.

b6  
b7C

2. Will furnish Newark a certified copy of the results of the UCC-1 search (positive or negative) conducted by the County Office.

NEW YORK OFFICE

at MINEOLA, NEW YORK

Leads same as above.

GP  
GJI/gji

THEODORE VINCENT KRUCKEL,;  
ET AL;  
BF&E  
OO: NEWARK

During the period July & August, 1992, [redacted] furnished the following information:

[redacted]

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b7C  
b7D

(X)

29B-9961-92

|                 |            |
|-----------------|------------|
| SEARCHED.....   | 13         |
| SERIALIZED..... | FILED..... |
| SEP 25 ..       |            |
| FBI - NEWARK    |            |

Hel

# Appeals judges affirm casino's fine for shifting black, female dealers

By TOM HESTER

A \$200,000 fine levied against Donald Trump's Trump Plaza Hotel & Casino for removing black and female croupiers and dealers to accommodate the preferences of a high roller, described as the greatest money loser in the 14-year history of gambling in Atlantic City, was upheld by a state appeals court yesterday.

A two-judge panel turned away an appeal by Trump Plaza Associates and ruled the state Casino Control Commission had sufficient credible evidence to find the casino operators engaged in racial and sexual discrimination to appease the high roller Robert Libutti of Saddle River.

Our examination of the record discloses that the testimony of the (Gambling Enforcement) Division's witnesses (eight black or female Trump Plaza employees) carried with it the ring of truth," judges Herman D. Michels and David S. Balme found. "In our view, the transcript fairly reeks of Trump Plaza's guilt.

"When dealing with a patron's prejudices," Michels and Balme added, "a casino must realize that the customer is not always right."

Still awaiting action before an appeals court is an appeal by Trump Plaza Associates of a \$450,000 fine, the largest levied by the Casino Control Commission, for an arrangement it had with Libutti to provide him \$1.6 million in gambling money.

Commission Assistant General Counsel Dennis Daly said Trump Plaza paid the \$200,000 and \$450,000 fines pending the outcome of both appeals.

The appeal decided yesterday resulted from a 1991 ruling by Valerie Armstrong, then the Casino Control Commission's vice chairwoman, who found Trump Plaza pit bosses "removed or reassigned black or female employees ... to accommodate what they perceived to be Libutti's racial and sexual preferences."

In reaching her decision, court

papers state, Armstrong noted that "Libutti was an abusive patron whose prejudices against black and female employees were well known. She further observed that much of the evidence pertaining to Libutti's frequent outbursts in which derogatory comments were made about blacks and females was elicited from Trump Plaza's witnesses."

In 1989, Caesars Hotel-Casino was fined \$250,000 by the commission for doing the same thing as Trump Plaza, pulling minority and woman dealers and croupiers from tables where Libutti wanted to play. At the time, the fine was the second largest levied by the commission. Caesars did not appeal the penalty.

Libutti, 60, described as a race horse consultant and broker, lost \$12

million gambling in Atlantic City between 1986 and 1991, marking him as the greatest money loser since the first casino opened in 1978, and making him one of the operators' most welcome players.

He was banned from the casinos in 1991 by the commission for outbursts of foul language against casino workers and a black casino control inspector, according to Commission Assistant General Counsel Daly, and for alleging he knew now-imprisoned New York City mob boss John Gotti.

Gambling at Trump Plaza, the Golden Nugget, Caesars, and at Trump Castle and Trump's Taj Mahal, Libutti would play craps at an average of \$12,000 a bet and lost as much as \$20,000 on a roll of the dice.

"Craps was his game of choice," said Daly.

Libutti was described as a high roller with countless gambling superstitions. Before he was banned, he was provided with round-the-clock limousine service and a helicopter by Trump Plaza. He flew in Trump's private copter and sat between the entrepreneur and his then-wife Ivana at a Wrestlemania event in Atlantic City.

At Caesars, Libutti was given the best suite, the Emperor's Penthouse, without charge. He would tip a cocktail waitress \$100 for bringing him a glass of water when it was time to take his heart medicine, according to industry sources.

The \$450,000 fine stems from an arrangement Trump Plaza had with Libutti in which the casino would buy luxury cars and allow him to sell them back to the dealers and keep the money.

When the eight Trump Plaza employees initially filed discrimination charges, state Administrative Law Judge Lillard E. Law recommended the commission reject the complaint.

The case was then referred to Armstrong, who held additional hearings and recommended a \$100,000 fine. The commission raised the penalty to \$200,000.

"We reject," Michels and Balme stated, "Trump Plaza's contention that the vice chairperson failed to require the division to prove the qualifications of black and female employees who were removed from Libutti's table were as good as those of the employees who replaced them."

Armstrong is now a state Superior Court judge sitting in Atlantic County.

Trump Plaza's attorney, Peter Loughlin of Morristown, was unavailable for comment.

Daniel J. Carluccio, then the commission's general counsel, argued the case for the state. He is now Ocean County prosecutor. Carluccio was assisted by Daly and Assistant Counsel Leonard J. DiGiacomo.

Title:

Character:

or

Classification:

STAR LEDGER  
10/20/92

29B-9961-25

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| SEARCHED .....   | INDEXED ..... |
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| OCT 21 1992      |               |
| FBI - NEWARK     |               |

## High-roller, banker are indicted

By ROBERT RUDOLPH

A high-roller described as the biggest loser in Atlantic City's 14-year history of casino gambling was indicted along with a former bank president yesterday on federal charges they siphoned off more than \$3.4 million in bank funds that was allegedly lost at the gaming tables.

Authorities charged that Robert Libutti, a well-known horse-racing figure who owns Buck Chance Stables and served as the agent for a string of successful racehorses, misappropriated millions of dollars from Urban National Bank (UNB) in Franklin Lakes, with the aid of the former bank president, Theodore Kruckel.

Kruckel, 55, a resident of Franklin Lakes, declined all comment on the charges except to say: "I'm going to defend myself."

His attorney, James Plaisted, said Kruckel owned a major share in the bank and the idea that he would authorize/unsecured loans for gambling "makes no sense."

"We're looking forward to establishing his (Kruckel's) innocence at trial," Plaisted said.

Libutti's attorney, Jack Arseneault, charged, however, that whatever money Libutti obtained, he did it with "the full knowledge and consent of the bank."

"There was no fraud at all in obtaining these loans," Arseneault said.

"There was complete and full disclosure."

According to Arseneault, the matter resulted from a "20-year-battle with the IRS" over a tax dispute.

The dispute led to a criminal charge that resulted in a short term of probation for Libutti, but led to a civil judgment that grew over the years to more than \$3.5 million. He said the situation was the result of Libutti's gambling problems.

"Bob is a degenerate gambler," Arseneault said. "A sick man."

Libutti lost \$12 million gambling in Atlantic City between 1986 and 1991, marking him as the greatest money loser since the first casino opened in 1978, and making him one of the casinos' most welcome players.

Libutti, described as a high roller with countless gambling superstitions,

ping in Space

## Notorious high-roller and his banker are indicted in \$3.4 million bilk

was banned from the casinos in 1991 for outbursts of foul language against casino workers and a black casino control inspector and for claiming he knew now-imprisoned New York City mob boss John Gotti.

Libutti yesterday denied the Gotti allegations and told The Star-Ledger, "I don't know John Gotti from Adam. I don't even know a book-maker, so how would I know a guy like John Gotti?"

Before he was banned, Libutti was provided with round-the-clock limousine service and a helicopter by Trump Plaza. He flew in Trump's private copter and sat between the entrepreneur and his then-wife Ivana at a Wrestlemania event in Atlantic City.

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his heart medicine, according to industry sources.

Gambling at Trump Plaza, the Golden Nugget, Caesars, and at Trump Castle and Trump's Taj Mahal, Libutti would play craps at an average of \$12,000 a bet and lost as much as \$20,000 on a roll of the dice.

The charges against Libutti and Kruckel resulted from a joint FBI and IRS investigation and centered on a series of loans issued by the bank between 1985 and 1987.

As outlined by the U.S. Attorney's Office in Newark, by 1985 UNB had already "issued all the credit it could to Libutti at one time" under government regulations.

However, authorities charged, Kruckel attempted to circumvent the regulations by approving another \$2.25 million in loans that were issued to third parties, but wound up in Libutti's account.

Authorities said the bank official also approved \$1.2 million in overdrafts on Libutti's behalf and issued a \$500,000 cashier's check to the gambler without obtaining the approval of the UNB board of directors.

In addition, authorities charged that Kruckel falsified documents and committed perjury to cover up his actions.

In one instance, it was charged, Kruckel told federal bank regulators

he had issued one \$1.2 million loan to help a businessman purchase a Mercedes-Benz dealership in Long Island only to have the money deposited to Libutti's Buck Chance Stable account.

Kruckel allegedly approved another \$1 million in cashier's checks made payable directly to Libutti. Authorities said a portion of that loan was made payable directly to the bank to pay off an earlier debt owed by Libutti.

Authorities charged Kruckel lied about one of the loans by claiming it was issued to help an associate of Libutti purchase a thoroughbred race horse that wound up running in the 1987 Kentucky Derby.

Libutti—who acknowledged that he is a "compulsive gambler"—said he had a long relationship with the UNB prior to 1985 and that he had been an "ideal customer" until he began running into debt at the casinos.

He said the bank's decision to issue the loans was a "management call" and the bank had made "over \$2 million in interest" on loan payments from him.

Libutti also denied additional tax charges and a separate charge of illegal possession of firearms.

Libutti, who is banned from owning weapons because of his prior tax conviction, said a cache of some 14 handguns and a rifle found in his daughter's home in Saddle River were actually part of a gun collection he had once owned but had given to his grandson.

Libutti said that although he has been financially ruined, he has not declared bankruptcy and said he has no plans to do so.

"I hope someday I will be able to pay everybody back," Libutti said. "If I'm left alone, I can make a lot of money. They (the government) won't leave me alone."

29B-9761-96

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| SEARCHED     | INDEXED |
| SERIALIZED   | FILED   |
| OCT 30 1992  |         |
| FBI - NEWARK |         |

(Mount Clipping in Space Below)

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"There was complete and full disclosure."

According to Arseneault, the matter resulted from a "20-year-battle with the IRS" over a tax dispute.

The dispute led to a criminal charge that resulted in a short term of probation for Libutti, but led to a civil judgment that grew over the years to more than \$3.5 million. He said the situation was the result of Libutti's gambling problems.

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However, authorities charged, Kruckel attempted to circumvent the regulations by approving another \$2.25 million in loans that were issued to third parties, but wound up in Libutti's account.

Authorities said the bank official also approved \$1.2 million in overdrafts on Libutti's behalf and issued a \$500,000 cashier's check to the gambler without obtaining the approval of the UNB board of directors.

In addition, authorities charged that Kruckel falsified documents and

(Indicate page, name of newspaper, city and state.)

The Star-Ledger

Date: October 30, 1992  
Edition: PG 1

Title: High-roller, banker are indicted

Character:  
or  
Classification:  
Submitting Office: Newark

committed perjury to cover up his actions.

In one instance, it was charged, Kruckel told federal bank regulators

29B-NK-9861-97

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| OCT 30 1992  |         |
| FBI - NEWARK |         |

He



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TO: Director, FBI

FROM: SAC, NEWARK  
SUBJECT:

THEODORE VINCENT KRUCKEL, JR.,  
aka, Ted Kruckel, Jr.,  
PRESIDENT URBAN NATIONAL BANK  
OF FRANKLIN LAKES,  
NEW JERSEY;  
ROBERT LIBUTTI, ET AL;  
FIF  
OO: NEWARK

|                             |
|-----------------------------|
| Bureau File Number          |
| 29B-9961                    |
| Field Office File Number    |
| 0025                        |
| Squad or RA Number          |
| Agent's Social Security No. |

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/2/92

b6  
b7C  
b7E

| Investigative Assistance or Technique Used  |        |                           |        |                                    |        |
|---|--------|---------------------------|--------|------------------------------------|--------|
| Rate each Investigative Assistance or Technique used in connection with the accomplishment being claimed. |        |                           |        |                                    |        |
| 1 = Used, but did not help  |        | 3 = Helped, substantially |        | 4 = Absolutely essential           |        |
| 2 = Helped, but only minimally  |        |                           |        |                                    |        |
| 1. Acctg Tech Assistance  | Rating | 8. Eng. Sect. Tape Exams  | Rating | 15. Photographic Coverage          | Rating |
| 2. Aircraft Assistance  |        | 9. Hypnosis Assistance    |        | 16. Polygraph Assistance           |        |
| 3. Computer Assistance  |        | 10. Ident Div Assistance  |        | 17. Search Warrants Executed       |        |
| 4. Consensual Monitoring  |        | 11. Informant Information |        | 18. Show Money Usage               |        |
| 5. ELSUR FISC   |        | 12. Lab Div Exams         |        | 19. Surveil Sqd (SOG) Asst         |        |
| 6. ELSUR Title III  |        | 13. Lab Div Field Support |        | 20. SWAT Team Action               |        |
| 7. Eng. Sect. Field Support   |        | 14. Pen. Registers        |        | 21. Tech. Agt. or Tech Equip       |        |
|   |        |                           |        | 22. Telephone Toll Recs            |        |
|   |        |                           |        | 23. UCO Group I                    |        |
|   |        |                           |        | 24. UCO Group II                   |        |
|   |        |                           |        | 25. UCO Other                      |        |
|   |        |                           |        | 26. NCAVC/VI-CAP                   |        |
|   |        |                           |        | 27. Visual Invest - Analysis (VIA) |        |

| A. Preliminary Judicial Process (Number of subjects)  |  | Complaints    | Informations | Indictments | D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)             |            |                                       |                 |                                   |
|---|--|---------------|--------------|-------------|---|------------|---------------------------------------|-----------------|-----------------------------------|
| 2   |  |               |              | 2           | Property Type Code*   | Recoveries | Restitutions                          | PELP Type Code* | Potential Economic Loss Prevented |
| B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subjects)  |  |               |              |             |   | \$         | \$                                    |                 | \$                                |
| Subject Priority*   |  |               |              |             |   | \$         | \$                                    |                 | \$                                |
| A B C   |  |               |              |             |   | \$         | \$                                    |                 | \$                                |
| FBI Arrests -   |  |               |              |             |   |            |                                       |                 |                                   |
| FBI Locates -   |  |               |              |             |   |            |                                       |                 |                                   |
| Local Arrests -   |  |               |              |             |   |            |                                       |                 |                                   |
| FBI Subj. Resisted: ; Armed:  |  |               |              |             |   |            |                                       |                 |                                   |
| C. Release of Hostages or Children Located: (Number of Hostages or Children Located)  |  |               |              |             | E. Civil Matters  |            |                                       |                 |                                   |
| Hostages Held By Terrorists: All Other Hostage Situations:  |  |               |              |             | RICO - Civil Convictions  |            |                                       |                 |                                   |
| Missing or Kidnaped Children Located:   |  |               |              |             | Civil Suits Amount of Suit  |            |                                       |                 |                                   |
|   |  |               |              |             | Settlement of Award   |            |                                       |                 |                                   |
|   |  |               |              |             | Government Defendant  |            |                                       |                 |                                   |
|   |  |               |              |             | Government Plaintiff  |            |                                       |                 |                                   |
|   |  |               |              |             | Enter AFA Payment Here  |            |                                       |                 |                                   |
| F. Administrative Sanctions   |  |               |              |             |   |            |                                       |                 |                                   |
| Subject 1   |  |               |              |             | Subject Description Code* -   |            |                                       |                 |                                   |
| <input type="checkbox"/> Suspension <input type="checkbox"/> Debarment  |  |               |              |             | Time Frame - Years: Months: <input type="checkbox"/> Permanent  |            |                                       |                 |                                   |
| G. Final Judicial Process: Judicial District District State   |  |               |              |             | Conviction or Pretrial Div. Date Sentence Date No. of Subjects Acquitted Dismissed                                  |            |                                       |                 |                                   |
| Subject 1 Subject Description Code* -   |  |               |              |             | Subject 2 Subject Description Code* -   |            |                                       |                 |                                   |
| <input type="checkbox"/> Felony Conviction Combined Sentence  |  |               |              |             | <input type="checkbox"/> Felony Conviction Combined Sentence  |            |                                       |                 |                                   |
| <input type="checkbox"/> Misdemeanor Title Section Counts In-Jail Yrs. Mos. Suspended Yrs. Mos. Probation Yrs. Mos.   |  |               |              |             | <input type="checkbox"/> Misdemeanor Title Section Counts In-Jail Yrs. Mos. Suspended Yrs. Mos. Probation Yrs. Mos. |            |                                       |                 |                                   |
| <input type="checkbox"/> Parole Revocation  |  |               |              |             | <input type="checkbox"/> Parole Revocation  |            |                                       |                 |                                   |
| <input type="checkbox"/> Probation Revocation   |  |               |              |             | <input type="checkbox"/> Probation Revocation   |            |                                       |                 |                                   |
| <input type="checkbox"/> Plea   |  |               |              |             | <input type="checkbox"/> Plea   |            |                                       |                 |                                   |
| <input type="checkbox"/> Trial  |  |               |              |             | <input type="checkbox"/> Trial  |            |                                       |                 |                                   |
| <input type="checkbox"/> Pretrial Diversion   |  |               |              |             | <input type="checkbox"/> Pretrial Diversion   |            |                                       |                 |                                   |
| Attach additional forms if reporting final judicial process on more than two subjects, and submit a final disposition form (R-84) for each subject.             |  |               |              |             |   |            |                                       |                 |                                   |
| H. Identifying Data: For every subject reported in Sections A, B, E, F, or G above, provide the following: Attach additional forms for more than four subjects. |  |               |              |             |   |            |                                       |                 |                                   |
| Name  |  | Date of Birth | Race*        | Sex         | Place of birth (if available)   |            | Social Security Number (if available) |                 |                                   |
| THEODORE V. KRUCKEL   |  | 12/11/36      | W            | M           | NEW YORK, NY  |            | 073-28-7976                           |                 |                                   |
| ROBERT LIBUTTI  |  | 2/20/30       | W            | M           | UNION CITY, NJ  |            | 145-24-4417                           |                 |                                   |

Explanation of accomplishment claimed:

On 10/29/92, THEODORE KRUCKEL and ROBERT LIBUTTI were indicted by Federal Grand Jury for violation of Title 18, USC 371, 1344, 1005, 656, 1621, 1505, 922(g)(1) and 2; Title 26, USC 7201.

2-Bureau  
③ Newark  
(1-Statistical in Process File)  
(1-SA Accomplishment File)  
GJI/eo  
(5)

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## TRANSMIT VIA:

☒ Teletype  
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☐ AIRTEL

## PRECEDENCE:

☐ Immediate  
☐ Priority  
☒ Routine

## CLASSIFICATION:

☐ TOP SECRET  
☐ SECRET  
☐ CONFIDENTIAL  
☐ UNCLAS E F T O  
☒ UNCLAS

Date 11/13/92

FM FBI NEWARK (29B-9961) (P)

TO DIRECTOR FBI/ROUTINE/

BT

UNCLAS

CITE: //3510:3413//

SUBJECT: THEODORE VINCENT KRUCKEL, JR., AKA TED KRUCKEL, JR.,  
PRESIDENT, URBAN NATIONAL BANK OF FRANKLIN LAKES, NEW JERSEY;  
ROBERT LIBUTTI, AKA ROBERT PRESTI; ET AL; FIF; OO: NEWARK.

FOR INFORMATION OF THE BUREAU, CAPTIONED SUBJECTS  
THEODORE KRUCKEL AND ROBERT LIBUTTI WERE INDICTED BY A NEWARK,  
NEW JERSEY, FEDERAL GRAND JURY ON 10/29/92.

KRUCKEL WAS INDICTED ON 11 COUNTS FOR CONSPIRACY TO  
COMMIT BANK FRAUD, BANK FRAUD, FURNISHING FALSE STATEMENTS TO  
A BANK, MISAPPLICATION OF BANK FUNDS, PERJURY AND OBSTRUCTION  
OF JUSTICE.

29B-9961-99  
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SERIALIZED FILED

Approved: approved by SSRA Original filename: EG0001W.318 GJI/EG0  
in GMRA/88Time Received: \_\_\_\_\_ Telprep filename: EG0001SO 318MRI/JULIAN DATE: 1236/321 ISN: 12FOX DATE & TIME OF ACCEPTANCE: 2149 11/16/92 WAC

^PAGE 2, NK 29B-9961, UNCLAS

LIBUTTI WAS INDICTED ON 5 COUNTS FOR CONSPIRACY TO COMMIT BANK FRAUD, BANK FRAUD, FAILURE TO PAY INCOME TAX AND POSSESSION OF A FIREARM BY A CONVICTED FELON.

LIBUTTI AND KRUCKEL WERE ARRAIGNED BEFORE U.S. DISTRICT JUDGE JEROME B. SIMANDLE ON 11/6/92 AND TRIAL IS SCHEDULED FOR 1/4/93 IN CAMDEN, NJ.

THE INVESTIGATION WAS INITIATED BY THE NEWARK DIVISION DUE TO THE FACT A TOTAL OF \$3.4 MILLION IN LOANS, APPROVED BY KRUCKEL, WERE ISSUED AS NOMINEE LOANS IN AN ATTEMPT TO CIRCUMVENT BANKING REGULATIONS AND ADVANCE BANK FUNDS TO LIBUTTI. OF THE \$3.4 MILLION OWED BY LIBUTTI TO URBAN NATIONAL BANK, \$1,200,000 WAS THE RESULT OF A SERIES OF CHECKING ACCOUNT OVERDRAFTS AUTHORIZED BY KRUCKEL AND EVENTUALLY "ROLLED OVER" INTO A NOTE TO UNB. IN TWO SEPARATE INSTANCES KRUCKEL APPROVED \$2.25 MILLION IN NOMINEE LOANS THAT ULTIMATELY WENT TO LIBUTTI. THE NOMINEE LOAN PROCEEDS WERE DISBURSED IN A SERIES OF CASHIER CHECKS TO LIBUTTI.

IN A SEPARATE, BUT RELATED CHARGE, KRUCKEL FRAUDULENTLY ISSUED A \$500,000 CASHIERS CHECK TO LIBUTTI THAT WAS NOT APPROVED BY UNB'S BOARD OF DIRECTORS.

^PAGE 3, NK 29B-9961, UNCLAS

KRUCKEL ALSO COMMITTED PERJURY IN AN INVESTIGATION THAT WAS BEING CONDUCTED BY THE OFFICE OF THE COMPTROLLER OF THE CURRENCY (OCC) IN AN ATTEMPT TO COVER UP HIS FRAUDULENT ACTIVITY. KRUCKEL ALSO CONTACTED A WITNESS WHO HAD BEEN SUBPOENAED TO TESTIFY IN THE OCC INVESTIGATION, AND INSTRUCTED HIM TO LIE.

IT IS NOTED THAT DUE TO THE FOLLOWING FACTS THIS CASE HAS RECEIVED SIZABLE PUBLICITY IN THE LOCAL AREA AND NEWSPAPERS:

1) KRUCKEL WAS THE PRESIDENT/CEO OF URBAN NATIONAL BANK AND SON-IN-LAW TO NEVINS MC BRIDE, A WELL KNOWN MULTI-MILLIONAIRE AND REAL ESTATE DEVELOPER IN BERGEN COUNTY, NJ.

2) LIBUTTI IS A WELL KNOWN FIGURE IN THOROUGHBRED RACING AS THE AGENT FOR A SERIES OF SUCCESSFUL RACE HORSES, SOME OF WHICH RAN IN THE KENTUCKY DERBY.

3) LIBUTTI IS ALSO A WELL KNOWN FIGURE IN VARIOUS ATLANTIC CITY CASINOS; LIBUTTI IS REPORTEDLY THE BIGGEST LOSER IN CASINO HISTORY-\$12 MILLION SINCE 1986.

BT

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THEODORE VINCENT KRUCKEL, Jr. ;  
ET AL;  
BF&E  
OO:NEWARK

During the period July, 1992 through September, 1992, [REDACTED]  
furnished the following information:

[REDACTED]

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(X)

29B-9961-101

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| FBI - NEWARK         |                 |

*18*

11/5/92

Indices Search Slip  
FD-160 (Rev. 5-22-89)

To: Office Services Manager

Requested by

Subject

ROBERT LIBUTTI

Aliases

RALPH LIBUTTI, ROBERT PRESTI, NICK SPADEA

Address

SADDLE RIVER, N.J. SECANUS, N.J.

Date

12/14/92

Squad

GMA

Extension

File No.

29B-9961

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Social Security Account #

145-24-4417

☐ Exact Spelling

☒ All References

☐ Main Security Case Files Only

☐ Security References Only

☐ main Criminal Case Files Only

☐ Criminal References Only

☐ Main Security (If no Main, list all Security References)

☐ Main Criminal (if no Main, list all Criminal References)

☐ Restrict Locality of

☐ General Indices: ☐ NEG ☐ POS

☐ ISIS: ☐ NEG ☐ POS

Searched by \_\_\_\_\_ Date \_\_\_\_\_

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☐ Confidential Indices: ☐ NEG ☐ POS

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12/29/92  
Date

Searched by \_\_\_\_\_ Date \_\_\_\_\_

☐ FOIMS: ☐ NEG ☐ POS

☐ MICRO: ☐ NEG ☐ POS

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☐ GLOBAL: ☐ NEG ☐ POS

☐ REGIONAL: ☐ NEG ☐ POS

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- ☐ Albany
- ☐ Bern Switzerland
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- ☐ London England
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- ☒ New York City
- ☒ Newark
- ☐ Parish France
- ☐ Philadelphia
- ☐ Rome Italy
- ☐ All above

Mid-Atlantic

- ☐ Atlanta
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- ☐ Birmingham
- ☐ Charlotte
- ☐ Jackson
- ☐ Jacksonville
- ☐ Knoxville
- ☐ Memphis
- ☐ Miami
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- ☐ New Orleans
- ☐ Norfolk
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- ☐ Richmond
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- ☐ Savannah
- ☐ Tampa
- ☐ Washington Field
- ☐ All above

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- ☐ Little Rock
- ☐ Louisville
- ☐ Milwaukee
- ☐ Minneapolis
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- ☐ Omaha
- ☐ Pittsburgh
- ☐ San Antonio
- ☐ Springfield
- ☐ St. Louis
- ☐ All above

Western

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- ☐ Butte
- ☐ Honolulu
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- ☐ Sacramento
- ☐ Salt Lake City
- ☐ San Diego
- ☐ San Francisco
- ☐ Seattle
- ☐ All above

File & Serial Number

Remarks

File & Serial Number

Remarks

Consolidated by

Date

Reviewed by

Date

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DEC 14 1992

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I - Identical  
NI - Not identical

File Review Symbols

? - Not identifiable  
U - Unavailable reference

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| FBI - NEWARK         |                 |
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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/6/93

On April 2, 1993, during a break in the pre-trial hearing before District Judge JEROME B. SIMANDLE, Special Agent (SA) [redacted] [redacted] overheard the following comments made by ROBERT LIBUTTI. LIBUTTI said there will be a murder before this case is over. [redacted] in referring to himself, said he must mean me. LIBUTTI then said it would not be [redacted] he is loose (referring to [redacted])

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Investigation on 4/2/93 at Camden, New Jersey File # NK 29B-9961

by SA [redacted] eo Date dictated 4/5/93

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Page 84 ~ Referral/Direct;  
Page 85 ~ Referral/Direct;  
Page 86 ~ Referral/Direct;  
Page 87 ~ Referral/Direct;  
Page 88 ~ Referral/Direct;  
Page 89 ~ Referral/Direct;  
Page 90 ~ Referral/Direct;  
Page 91 ~ Referral/Direct;  
Page 92 ~ Referral/Direct;  
Page 93 ~ Referral/Direct;  
Page 94 ~ Referral/Direct;  
Page 95 ~ Referral/Direct;  
Page 96 ~ Referral/Direct;  
Page 97 ~ Referral/Direct;  
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Page 101 ~ Referral/Direct;  
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